

196658


TO: SOUTH CAROLINA Public
Services Commission
c/o P.O. DRAWER 11649
Columbia, SC 29211
Re: Docket #06327-WS
and Docket #2008-445-WS

FROM: JAMES L. WALSH
14 Ridge Lake Dr
Wyboo Plantation
MANNING, SC 29102

This letter and the attached documentation have been sent to you because it is my understanding that Wyboo Plantation Utilities (WPU) is in the process of applying for authorization from the SC Public Services Commission (PSC) to sell itself to Clarendon County, SC. Consequently and before such a sale may be consummated, I request that you review the attached exhibits that have been culled from: my own records of correspondence with the Office of Regulatory Services (ORS), PSC's Order NO. 2007-138 and from financial records that are applicable to this matter. I do so because, despite his best efforts to mediate my claim of \$2,122.89 against WPU, Mr. Chad Campbell of the ORS has been unable to reach a satisfactory resolution in this matter with WPU and its present owner, Mr. Mark Wrigley. To facilitate your examination of the aforementioned documentation/exhibits, I have included a list of them which also is attached.

Therefore, I respectfully request that the Commission support my claim of \$2,122.89 against WPU and/or any successor-owner and assist me in recovering

THE UNAUTHORIZED CHARGES THAT I WAS COMPELLED TO
PAY AS A RESULT OF MISREPRESENTATIONS BY AND
ABROGATIONS OF ITS LEGAL RESPONSIBILITIES BY THE MAN-
AGEMENT OF WPUAS DEFINED IN THE COMMISSION'S
ORDER.

 12/17/08
JAMES L. WALSH

Copy to:
MR. C. Campbell (ORS)

List of Documents

Documents

1. Letter read for the record at the 10/30/06 meeting of the SC Public Service Commission at Manning, SC. Letter was dated 10/16/06
2. Letter to Mr. Chad Campbell of the Office of Regulatory Services on 10/19/06 and received on 10/20/06
3. ATTACHMENTS to #2 ABOVE
 - A) LETTER DATED 10/16/06 (#1 ABOVE)
 - B) Check #1896 Re: pump out of septic tank
 - C) Receipt for step system parts
 - D) Receipt for step system parts
 - E) Check #1902 Re: step system parts
 - F) Electrician's invoice
 - G) Check #1930 to electrician
 - H) Letter dtd 1/19/07 from WPU attorney
 - I) Letter from Clarendon County Planning and Public Service Commission attesting to my step system's compliance with codes.
4. Excerpts from the Order of the SC Public Service Commission dated 2/24/07,
Docket No. 2005-13-WS/ORDER NO. 2007-138
Pages 2, 3, 4, 8, 15, 16, 19 and 20.

A

October 16, 2006

Office of Regulatory Staff
The Consumer Services Division
1441 Main Street
Columbia, SC 29201

Subject: An application by Wyboo Utilities, Inc. for approval of a New Schedule of Charges for Water and Sewer Rates, i.e. Docket No. 2005-13-WS.

I am submitting this letter to notify the Office of Regulatory Services (ORS) of two (2) specific problems that I have encountered with Wyboo Plantation Utilities, Inc. (WPU) within the last few months. Both problems are service related and are described briefly below as Incident No.1 and Incident No.2:

Incident No.1 occurred on May 30-31 of this year, after I was alerted by the alarm system of our (gray water) septic tanks that they were full and that their potentially imminent overflow would cause effluent to back up into the ground level rooms of our home. Shortly thereafter, I was able to reach Mr. Mark Wrigley by telephone and, after some difficulty with him on the telephone, he agreed to come to my home to assess the problem. Immediately upon his arrival, I took him to the site of our septic system tanks, which are located 24" to 30" under the center of a small grassy plot that is surrounded by a patio and a unique Charleston Garden at the rear of our home. I explained to Mr. Wrigley that his instant proposal to bring in a piece of heavy equipment (backhoe) to excavate the covers of the septic tanks was a totally unsatisfactory solution to our problem. I also explained to him, in detail, the reason why the introduction of a large backhoe to excavate in a small area – one that was interlaced extensively with an intricate matrix underground of drainage and sprinkler systems – would cause extensive damage to that infrastructure in which we had invested many thousands of dollars, over a period of 5-6 years of planning and implementation. To my complete surprise and great disappointment, Mr. Wrigley proved to be utterly intransigent to my counterproposal that the septic tank covers be uncovered by hand-digging them – in the same manner as had been done previously over the years at Wyboo Plantation – and that I would pay for any additional expense he might incur in doing so. To my consternation, Mr. Wrigley was adamant that he would neither 1.) have the area hand dug nor 2.) would he repair the damage caused by using the backhoe to dig what amounted to three holes (using a sledge hammer to swat a fly) in our yard. Despite my best efforts, I was unable to persuade him to assist us in protecting our property and our investments in it including:

- two (2) 4" Schedule 40 PVC pipes that connect gutters and downspout at the four corners of our house to carry rain water away from the foundation of our house, enabling us to maintain the integrity of our completely dry finished ground level interior space of approximately 1400 sq. ft.
- two 4"-6" perforated vinyl pipes and associated connectors to a system of in-ground drain boxes that conduct excess water away from our house and out of our yard.

- a professionally designed, installed and maintained irrigation system, including Schedule 40 PVC water pipes and numerous sprinkler heads.
- two 2" Schedule 40 PVC pipes that are connected to three in-floor/in carpet drains that are installed in the ground-level floor of our house, to keep that level from flooding in the unlikely event of a broken water supply line at the point of entry to our house.

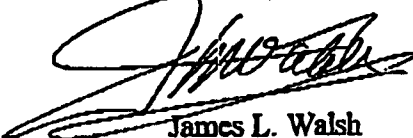
After concluding that an accord to protect our interests could not be reached with Mr. Wrigley, I notified him that I would make other arrangements to address our problem and he left our property.

Immediately thereafter, I called James Septic Systems and they assured me that they would come out to our house, pump out our tanks and put us in a position where we could use water again (w/c's, kitchen, laundry, etc.). They were as good as their word, pumping the tanks almost immediately and installing a new pump within about 72 hours. It should be noted that when they hand dug three small, neat straight-walled holes (after carefully removing and putting aside the sod over the covers of the septic tanks) they did so without damaging a single wire or pipe in our yard. Their understanding of our plight and the service they provided stood in sharp contrast to that of Mr. Wrigley.

Incident No.2 began when, approximately four months ago (circa May or June of this year), I called the WPU office in Sumter; no staff were present, so I left a message to report a leak in their water main in the median of the roadway opposite No.15 Ridge Lake Drive. The leak has caused a washout in the ground above the leak that has filled in with water and remained filled throughout the summer months. That water-filled hole is a health hazard because 1). it is a breeding place for mosquitoes and 2). it indicates a leak in our water main that, in the event of a drop in pressure, would provide an entry to bacteria that could contaminate the water supply of Wyboo Plantation. As no visible action was taken by WPU, I subsequently notified the Board of Directors and Administration Manager of Wyboo Plantation of this health hazard; it is my understanding that they notified Mr. Wrigley, personally, but still no visible action appears to have been taken. As the "water hole" remained as of October 5, almost two weeks ago, I notified Mr. J. Petit of DHEC's EQS; he assured me that he would look into this matter.

I hope that this and other constructive criticisms will lead soon to a less adversarial and more constructive relationship between Mr. Wrigley/WPU and the homeowners at Wyboo Plantation.

Sincerely,


James L. Walsh

NOT
APPLI-
CABLE
TO THIS
CLAIM



B

Account Number: [REDACTED]

JAMES L WALSH TRUSTEE
 JAMES L WALSH REVOCABLE TRUST
 14 RIDGE LAKE DR
 MANNING SC 29102-9511

JAMES L WALSH, TRUSTEE JAMES L WALSH REVOCABLE TRUST 14 RIDGE LAKE DR WY800 PLANTATION MANNING, SC 29102		1896
PAY TO THE ORDER OF <u>Robt. James Sept. Tank Pumping Co.</u>		5/24/06 DATE
<u>ONE HUNDRED SEVENTY FIVE DOLLARS</u>		\$175.00
The Bank of Clarendon MANNING, SOUTH CAROLINA 29102		HOMETOWN GOLD [Signature]
FOR <u>Sept. Tank Pumping Co.</u>		

Front of Item # [REDACTED], Amount:\$175.00, Date:06/01/2006

175.00 PM 3 On-Us Check Cash Out Amt # 2 TR# 1445-36 5/01/2006 CN		Robert James Sept. Tank Pumping Co.
BK Clarendon MANNING, SC 29102-9511 06-01-2006		

Back of Item # [REDACTED], Amount:\$175.00, Date:06/01/2006



C

NOLAND COMPANY - 2031
413 NORTH IRBY STREET
FLORENCE, SC 29501
(843) 662-5216

G	DOCUMENT NO.	DATE	SALESMAN	SALES SOURCE	NOLAND REF.	CUSTOMER REF.	TRANS	PAGE	SERVED BY
J-	██████████	06/01/06	901	COUNTER			██████████		1 S. PHILLIPS
QTY	QTY U	ITEM	ITEM	ITEM DESCRIPTION			UNIT	EXTENDED	
ORD	SHR	N	NUMBER				PRICE	PRICE	
1	1	EA	4760633	INIT BY: S. PHILLIPS					
1	1	EA	2331313	GOULD ABE23 15FT PUMP/CONTROL SWITCH					
1	1	EA	3270882	GOULD TAN3M THERMOPLASTIC LIQUID LEVEL ALARM					
			SERIAL#	GOULD WE1012H 1 HP SUB EFFLUENT PUMP 1PH					
2	2	EA	9084940	J0567160					
				SJ-RH 1002230 CABLE WEIGHT					

8:27pm
CUSTOMER NO. ██████████ JOB NO.
JOB NAME
CUSTOMER NAME JAMES SEPTIC TANKS LLC
ADDRESS 11031 HWY 260
MANNING, SC 29102

SUBTOTAL
CITY TAX
IN COUNTY TAX
27 STATE TAX
TOTAL CHARGE

RECEIVED BY:

WE APPRECIATE YOUR DOING BUSINESS WITH NOLAND COMPANY # OF BOXES CHECK BY

Chas. Hall/Woman 6/2/06 (1) (2) (3) : (A) north...



D



JAMES SEPTIC TANKS, LLC

11031 Highway 280
Manning, SC 29102
Phone: (803) 478-4577
Fax: (803) 478-5208

Customer's Order No.		Date		6-8-2006			
Name		James R. Walsh					
Address							
Phone		478-4848					
SOLD BY	CASH	C.O.D.	CHARGE	DR. ACCT.	MOSE. RETD.	PAID OUT	LAYAWAY
						478-4858	
QTY	DESCRIPTION	PRICE	AMOUNT				
	adminstrating man hole		750.00				
	pump, alarm box, float, & weights (Holland Co.)		977.99				
Total due:		\$ 1727.99					
Pck# 6.9.06							
Received By		TAX					
		TOTAL					

99CC6324
PRINTED IN U.S.A.

Thank You

Bank of Clarendon

Account Number [REDACTED]

JAMES L WALSH TRUSTEE
JAMES L WALSH REVOCABLE TRUST
14 RIDGE LAKE DR
MANNING SC 29102-9511

E


JAMES L. WALSH, TRUSTEE
JAMES L. WALSH REVOCABLE TRUST
14 RIDGE LAKE DR. WYBOO PLANTATION
MANNING, SC 29102

1902
67-673/532

6/9/06
DATE

PAY TO THE ORDER OF James Septic Tanks, LLC \$1,727.99

Seventeen hundred twenty seven and 99/100 DOLLARS

 The Bank of Clarendon
MANNING, SOUTH CAROLINA 29102

James L. Walsh
Treasurer, 6/8/06 M.

HOMETOWN GOLD

Front of Item # [REDACTED] Amount:\$1,727.99, Date:06/15/2006

8834 4 06/14/2006 CPPS 033 [REDACTED]

[REDACTED]

0530-0030-6 06/14/2006 Natl Bank of SC
ENT=2476 TRC=2404 PK=03

James Septic Tanks

Back of Item # [REDACTED] Amount:\$1,727.99, Date:06/15/2006

F

Wayne Peagler
2056 Greeleyville Hwy.
Manning, S. C. 29102

To Mr. Jim Walsh
 Address 14 Ridge Lake Drive
 City Manning, D. C. 29102
 Terms _____

[illegible]

Account Number: [REDACTED]

G

JAMES L WALSH TRUSTEE
JAMES L WALSH REVOCABLE TRUST
14 RIDGE LAKE DR
MANNING SC 29102-9511

JAMES L. WALSH, TRUSTEE
JAMES L. WALSH REVOCABLE TRUST
14 RIDGE LAKE DR. WY800 PLANTATION
MANNING, SC 29102

DATE 7/30/06

PAY TO THE ORDER OF WAYNE PEAGLER \$ 220.00

two hundred and twenty and no/100 DOLLARS

The Bank of Clarendon
MANNING, SOUTH CAROLINA 29102

7/26/06 J. Walsh & Co. Electrical
make up of 5 subcard leaving 5 on hand

[Signature]

HOMETOWN GOLD

Front of Item #:241201005000825, Amount:\$220.00, Date:08/08/2006

Wayne Peagler
2056 Greeleyville Hwy.
Manning, S. C. 29102

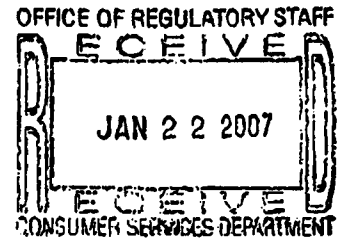
Cash Out Amt \$ 220.00
3 On-Us Check
TR# 11 15:55:21 8/08/2006 ON

Bank of Clarendon
Manning, S.C. 29102

Back of Item # [REDACTED], Amount:\$220.00, Date:08/08/2006

ELLIS:LAWHORNE

John F. Beach
Direct dial: 803/343-1269
jbeach@ellislawhome.com



January 19, 2007

VIA HAND-DELIVERY

Mr. Chad Campbell
Investigator, Consumer Services
Office of Regulatory Staff
1441 Main Street, 3rd Floor
Columbia SC 29201

RE: Complaint of James Walsh (Your File No. 06-S-3678)
Wyboo Plantation Utilities, Inc., ELS File No. 1015-10306

Dear Mr. Campbell:

I am writing on behalf of Wyboo Plantation Utilities, Inc. ("Wyboo") in response to the above-referenced customer inquiry. This letter mostly appears to be a protest on the rate case.

Mr. Walsh's letters are extremely helpful in graphically demonstrating the cost and difficulty associated with maintaining the STEP systems within Wyboo.

Incorporate
The first problem Wyboo had with Mr. Walsh's situation is that his step system was not installed in accordance with utility specifications. The major problem is that Mr. Walsh had the system installed in his back yard, rather than his front yard. Mr. Walsh's decision to locate the STEP system in his back yard actually created most of not all of the problems he experienced.

Incorporate
Mr. Walsh located his STEP system "24" to 30" under the center of a small grassy plot that is surrounded by a patio and a unique Charleston Garden." While Wyboo makes every effort to address customer problems in a way that has absolutely no adverse impact on customer landscaping, Mr. Walsh's STEP system was located in a place that made it practically difficult for Wyboo to do so here.

Incorporate
Mr. Walsh's located the STEP system in the back of his yard, which was about 80 feet farther away from the Wyboo main than appropriate. This placement added approximately 10 to 15 additional head feet pressure to the pump requirements. With the head and additional length of pipe, Mr. Walsh's pump has to work extra hard to pump his grey water out. His backyard is also soaked with water, which could be a source of water infiltration to the step system and the additional problems with electrical shortage, due to improper installation.

Ellis, Lawhome & Sims, P.A., Attorneys at Law

1501 Main Street, 5th Floor — PO Box 2285 — Columbia, South Carolina 29202 — 803 254 4190 — 803 779 4749 Fax — ellislawhome.com

Mr. Chad Campbell

January 19, 2007

Page 2

Mr. Wrigley states that when he went to Mr. Walsh's house to look at and check for system breakdown and probe his front yard for his system, Mr. Walsh confronted him out in front of his house. When Mr. Wrigley asked Mr. Walsh where the tank was located, Mr. Walsh informed him the tank was in the back of the house and stated that Wyboo could not bring equipment in his yard. Mr. Wrigley told Mr. Walsh that he may need to and would not be responsible for any tracks that might be left. Mr. Walsh then reiterated that Wyboo was not to bring any equipment into his yard. Mr. Walsh then told Mr. Wrigley that the tank was located only 3" below ground. They both walked around and down the hill to the back of his house.

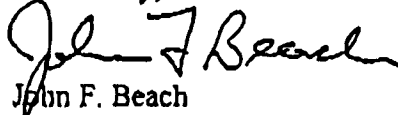
Mr. Wrigley reports that he was at Mr. Walsh's house approximately three hours that day, probing and hunting for his tank, but never could find the system. Mr. Wrigley could not verify the depth and therefore, Mr. Walsh said not to worry, that he would find the tank and call Mr. Wrigley. Mr. Walsh then decided he would take care of the problem himself. Mr. Wrigley reports that he never heard back from Mr. Walsh until receiving the December 21, 2006 notice from the ORS.

Mr. Walsh brought this same issue up in the night hearing. He also read the whole letter to the Commission and then submitted same.

Mr. Walsh's service has been established and he is continuing to receive sewer service from the utility with no interruptions. It is Wyboo's hope that the explanation set forth in this letter will fully satisfy this customer's concerns. Wyboo is willing to continue these discussions in order to bring this matter to a final resolution.

With kind regards, I am

Yours truly,

A handwritten signature in black ink, appearing to read "John F. Beach". The signature is fluid and cursive, with the first name "John" and last name "Beach" clearly distinguishable.

John F. Beach

cc: Florence Belser, Esquire
Mr. Mark S. Wrigley

I

Clarendon County
Planning & Public Service Commission

Post Office Box 1250, Manning, SC 29102
Telephone: (803) 435-8672 / 435-2105 Fax: (803) 435-2208

February 20, 2007

To: Mr. Jim Walsh
14 Ridgelake Drive
Lot # 3
Manning, S.C. 29102

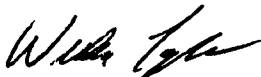
From: William Taylor
Clarendon County

Mr. Walsh:

On August 29, 1997, A Certificate of Occupancy was issued for this residence. That indicates, that the residence met the requirements of Clarendon County to be in compliance the current building codes adopted by the County. This includes the water and sewer connections.


If you have any questions, please call me.

Sincerely,



William Taylor
Building Official

out of time by John C. Bruffey, Jr. and Deer Creek Plantation Properties, Inc., but the Commission denied this Petition as untimely.

 The Commission held a local public hearing in this docket on Monday, October 30, 2006, at 6 p.m. in the Clarendon County Courthouse in Manning, South Carolina. at which public testimony relating to the requested rate increase was offered. Thereafter, a hearing on the merits was held January 22 through January 24, 2007, in the offices of the Commission. John F. Beach, Esquire appeared on behalf of WPU. Wendy Cartledge, Esquire and C. Lessie Hammonds, Esquire appeared on behalf of the Office of Regulatory Staff ("ORS"). Robert E. Tyson, Jr., Esquire appeared on behalf of intervenor The Villas at Wyboo Property Owners Association ("The Villas").¹ Charles H. Cook, Esquire and Scott Ellison, Esquire appeared on behalf of intervenor Wyboo Plantation Owners Association, Inc. ("Homeowners").

SUMMARY OF REQUESTED RELIEF

The Commission, in Docket No. 96-227-W, Order No. 1996-757, previously established a water rate of \$18.00 per month for all of WPU's customers. The Order further approved a \$10.00 monthly irrigation charge, but it did not establish a water tap fee. In Docket No. 97-391-S, Order No. 1998-33, the Commission established a sewer rate of \$20.00 per month for all of WPU's customers and established a sewer tap fee of \$500.00. In the application now before the Commission, WPU seeks to increase its residential water rate to \$67.00 per month and its residential irrigation rate to \$25.00 per

¹ Prior to the hearing, counsel for WPU and the Villas advised the Commission that they had reached a stipulation with respect to the rates payable by the Villas. Generally, the stipulation provides that the Villas at Wyboo condominium units, sales office, laundry, pool showers and restrooms would be billed at one single-family equivalent; the assembly hall would be billed at a rate of one and a half times a single-family equivalent. The manager's residence would be billed at a residential rate. The Commission memorializes the terms of the stipulation herein for application to current and future rates.

month. In addition, the Company seeks to establish commercial and mobile homes rates together with connection fees, a plant impact fee and a disconnection/reconnection fee. WPU further seeks to increase its sewer service rate to \$75.00 a month, establish commercial and/or mobile home rates, increase its sewer service connection fee, establish a plant impact fee for new sewer customers, establish swimming pool water fees and establish a disconnection/reconnection fee. In addition, the Company seeks to establish, *inter alia*, fees for maintenance, repair and replacement of certain of its wastewater treatment facilities.

SUMMARY OF TESTIMONY

Overview of Witnesses

At the local public hearing in Manning, South Carolina on Monday, October 30, 2006, the Commission heard from a large number of public witnesses in opposition to WPU's application for rate relief. At the beginning of the proceedings on January 22, the Commission heard from two public witnesses, both customers of WPU residing in Clarendon County. Thereafter, in the course of the hearing held January 22-24, 2007, the Commission heard from witnesses presented by parties to the case. Mark S. Wrigley, President and sole owner of WPU, testified for the Company. WPU also called as witnesses Willie J. Morgan, Christina L. Seale, and Douglas H. Carlisle, Jr., all of the ORS. Morgan, Seale, and Carlisle all appeared under compulsion of subpoena. Dwight D. Samuels, Daniel L. McDonald, and Leo C. Gallagher testified on behalf of the Homeowners. The ORS presented the testimony of Robert A. Sternberg, a WPU customer and a residential building contractor, and Morgan, Program Manager for the Water and Wastewater Department of ORS.

Discussion of Witness Testimony


The public witness testimony heard at the continuation of the Commission's hearings on January 22, 2007, was fairly representative of the testimony heard by the Commission at the October 30, 2006 hearing. The first public witness, James McBride, testified as to his poor customer service experience with WPU. Specifically, McBride testified that when he called the Company to fix a malfunctioning sewer pump, it did not supply the float needed for the repair for over one month. In the meantime, McBride was required to start and stop his sewer pump manually. After WPU delivered and installed the part, the Company refused to perform the remaining electrical repairs required to make the system fully operational and declined to reimburse McBride for expenses associated with finishing the repair to the system and restoring his yard to its original condition. In support of his assertion that the Company should have been responsible for bearing all of the repair costs, McBride presented documentary evidence in the form of the stock purchase agreement by which the utility was purchased by the present owner. The document indicated that the utility was to be responsible for "the maintenance of all water pumps, wells and lines, and sewer lines, lift stations, treatment facilities, and every other component of the systems operated by Wyboo Utilities." (1/22/07 Transcript, p. 14, ll. 1-7). The parties declined to cross-examine McBride.

The next public witness, Mr. James Stites, testified that he had also observed poor customer service by the Company, and suggested that no rate increase should be permitted until WPU had improved customer service and corrected any other deficiencies.

The first witness called by WPU to the stand was Mark Wrigley, the President and owner of the Company. Wrigley testified that he had purchased the utility in March 2001,

increases. WPU moved to have the Commission admit Maready's prefiled testimony into evidence, but in response to the Homeowners' objection, the Commission ruled that Maready's testimony was inadmissible hearsay and denied WPU's motion to have it admitted. To support its case for a rate increase, WPU then elected to rely upon the testimony of its owner, Wrigley, and the three ORS witnesses it had placed under subpoena, rather than to retain a new expert to testify at trial following Maready's death. The time constraints imposed upon both the parties and the Commission by the six-month statutory deadline contained in S.C. Code Ann. §58-5-240(C) for issuance of the Commission's order in the present docket undoubtedly would have hindered WPU's efforts to retain and prepare a new expert witness for appearance at trial. see S.C. Code Ann. 58-5-240(C).

Morgan, ORS' Water and Wastewater Department Program Manager, was called by WPU to support its request to shift the burden of the operation, maintenance, repair and replacement of the Company's STEP system from WPU to its customers. Morgan, however, testified to the fact that by virtue of its operating permit with the South Carolina Department of Health and Environmental Control (DHEC), WPU was responsible for the operation, maintenance, repair and replacement of all system components of the STEP systems at WPU's expense. Morgan's testimony made clear that he and the ORS opposed shifting the burden of maintaining and repairing these systems to the rate payers (prefiled testimony of Morgan at Page 16, l. 3 - Page 17, l. 12). Morgan further offered that the evidence of record reflects that DHEC has rated WPU's water and wastewater systems as unsatisfactory, and the Commission finds that this testimony is both credible and relevant to its evaluation. (prefiled testimony of Morgan, page 11, and Exhibit WJM-5).

5. Customer account records are maintained in both ledger forms and QuickBooks software. The two accounting systems do not reconcile.
6. Complaint records do not have a resolution provided on the complaint form as required pursuant to 26 S.C. Code Ann. Regs. 103-516, 103-538, 103-716 and 103-738.
7. Complaint records ("Work Order System Report") show customers being required to make an unauthorized payment to a Mr. Eddie Barrett, not WPU, for repair work on the Septic Tank Effluent Pump ("STEP") systems. Mr. Barrett has been listed as an employee of WPU in its filings; however, he has been treated as an independent contractor by the Company.
8. WPU does not maintain proper procedures to ensure complainants are notified that WPU is under Commission jurisdiction as required by Commission regulations.
9. Customer billing format does not include a rate schedule as required by 26 SC Code Ann. Regs. 103-532.1(d) and 103-732.2(d).
10.  WPU has charged rates and charges not authorized by the Commission.
During the ORS Business Audit, the following unapproved rates and charges were discovered:
 - i. Overcharge of the tap fee for establishing sewer service;
 - ii. Tap fee charged for establishing water service;
 - iii. Cut-on fee;
 - iv. Cut-off fee;
 - v. Illegal water use fee;

- vi. Water Service for Pool charges;
 - vii. Impact fee;
 - viii. DHEC sewer fee;
 - * ix. Charges to customers for repair to sewer STEP system;
 - x. Charges to customers for repair to utility water system; and
 - xi. Double charging of DHEC Safe Drinking Water Act ("SDWA") fee for same location.
11. The SDWA fee authorized by DHEC and collected by WPU is not managed properly. During the test year, WPU collected over \$14,000 in SDWA fees by billing customers at a rate of \$3.50 per month per mobile home park customer and \$2.38 per month per residential customer in the Manning area. DHEC invoiced WPU in June 2005 for \$9,852 for its SDWA fees. WPU recorded a payment to DHEC in the amount of \$9,852. As set forth in S.C. Code Ann. Section 44-55-120 (Supp. 2005), SDWA fees collected from customers can only be used to pay DHEC for oversight of the drinking water system. WPU did not provide support that the remaining balance of \$4,148 was escrowed in a separate account for subsequent DHEC billings. In addition, ORS could not determine if customer fees were subsequently reduced to offset this over-collection.
12. Deposits are not refunded pursuant to 26 S.C. Code Ann. Regs. 103-531.5 and 103-731.5.
13. Interest payments on deposits are not made to customers pursuant to 26 S.C. Code Ann. Regs. 103-531.2(B) and 103-731.2(B).

customer service; Wrigley offers little or no rebuttal to the customers' complaints. Due to a lack of credible evidence to support a rate increase and insufficient credible data from which we can calculate a true operating margin, the Commission readopts the operating margins established in the prior rate proceeding and denies the requested rate increase.

Our decision in this proceeding does not in any way preclude WPU from again seeking rate relief at a future time. However, it is imperative that WPU come into compliance with all applicable regulations and correct any and all other deficiencies, and such compliance would be of significant importance to the Commission in consideration of any future request for rate relief.

The Commission takes notice, however, that no water tap fee has been previously established for the Company. The Commission adopts in this Order water tap fees as follows: \$825 for a ¾ inch connection, \$965 for a 1 inch connection, and \$1,145 for a 2 inch connection. This tap fee shall cover all costs of material and equipment, labor and boring. The Commission further approves an increase in the authorized sewer connection fee from the previously authorized \$500 to \$825. These fees may only be charged when the Company physically connects a customer or developer to its water or wastewater system. Tap fees may only be collected once for each property, and either the builder or the resident of the home may be charged a tap fee, but not both. The Commission emphasizes that these are the only fees associated with water or sewer connection which are authorized. Similarly, with regard to WPU's request that it be permitted to pass on the costs of repairing STEP systems to the affected individual homeowners, the Commission declines to authorize such a charge.



IT IS THEREFORE ORDERED THAT:

1. The application of WPU for an increase in rates and charges for water and wastewater services and for an extension of its service area is hereby denied and the application dismissed.

2. The applicant WPU shall correct all violations of the statutes, rules and regulations pertaining to water and sewer utilities and shall bring itself into full compliance with all applicable statutes, rules and regulations.

3. The Commission adopts water tap fees as follows: \$825 for a ¾ inch connection, \$965 for a 1 inch connection, and \$1,145 for a 2 inch connection. This tap fee shall cover all costs of material and equipment, labor and boring. The Commission further approves an increase in the authorized sewer connection fee from the previously authorized \$500 to \$825. These fees may only be charged when the Company physically connects a customer or developer to its water or wastewater system. Tap fees may only be collected once for each property, and either the builder or the resident of the home may be charged a tap fee, but not both. The Commission emphasizes that these are the only fees associated with water or sewer connection which are authorized.

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4. The applicant WPU shall continue to own, operate, maintain and repair all STEP systems and all of its water and wastewater treatment facilities at its own expense as required herein.

5. As stipulated by the parties, the Villas at Wyboo condominium units, sales office, laundry, pool showers and restrooms shall be billed at one single-family equivalent; the assembly hall shall be billed at a rate of one-and-one-half-times a single-family equivalent; and the manager's residence shall be billed at a residential rate.